GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:128
ANSWERED ON:16.11.2007
LOSSES OF SEBs
Tripathy Shri Braja Kishore

Will the Minister of POWER be pleased to state:

(a) whether a large number of State Electricity Boards are facing financial crisis in the country;

(b) if so, the details thereof, State-wise;

(c) whether the Government proposes to allocate funds to such SEBs to improve their financial health during 2007-08;

(d) if so, the details thereof;

(e) whether some foreign financial institutions have also provided assistance to some of the State Electricity Boards during 2006-07 and 2007-08; and

(f) if so, the details thereof, State-wise?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b) : The State power utilities are regulated by the concerned State Electricity Regulatory Commissions. As per Planning Commission Annual Report (2001-02) `On The Working of State Electricity Boards & Electricity Departments` the commercial losses (without subsidy) of the SEBs had increased from Rs.4560 crores in year 1992-1993 to Rs.25,259 crores during 2000-01. After the year 2001-02, the Power Finance Corporation (PFC), which lends funds to State power utilities also, has started bringing out an annual compilation on the results of financial performance of these utilities. The latest report of PFC shows that the ever increasing trend of commercial losses of power utilities has been arrested. The commercial losses (without subsidies) in State Power Utilities, which had increased from 19,107 crores during 2003-04 to Rs.23,880 crores during 2004-05, have reduced to Rs.19,546 crores in 2005-06. State-wise details of profits/losses of State Electricity Boards (SEBs)/Power Utilities for the year 2005-06 as compiled by Power Finance Corporation are given in Annexure-I.

(c) & (d) : The Accelerated Power Development and Reforms Programme (APDRP) was launched in the year 2002-03 for assisting States in investment in strengthening of sub- transmission and distribution systems for reducing technical losses and improving the quality of supply and also for incentivising through cash grants for reduction of cash losses by State Power Utilities. It is being proposed to continue APDRP during the XIth Plan.

(e) & (f) : Details of assistance provided to SEBs/Power Utilities by International Funding agencies during the year 2006-07 and 2007-08 (upto Sept, 2007) is given in Annexure-II.